



# Department of Justice

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## **TWO EL PASO BUSINESSMEN AND THEIR COMPANIES CHARGED WITH CONSPIRACY TO RIG BIDS AND ALLOCATE CUSTOMERS FOR DOOR AND HARDWARE INSTALLATION**

### ***One Businessman Also Charged With Obstructing Justice***

WASHINGTON – An El Paso, Texas, federal grand jury returned an indictment today, charging two El Paso-based companies and two of their top executives with conspiracy to rig bids and allocate customers for certain contracts to supply and install doors and hardware for construction projects in the El Paso area, the Department of Justice announced. One of the executives was also charged with obstruction of justice for his efforts to impede the federal grand jury investigation.

The indictment, filed in U.S. District Court in El Paso, charges Architectural Products Co. Inc. and its president, Lindsay B. Holt, along with El Paso Steel Doors and Frames Inc. and its vice president, Humberto Lopez, with conspiracy to rig bids and allocate customers for certain contracts to supply and install doors and hardware for construction projects in the El Paso area. The indictment alleges that Holt, Lopez and others engaged in the conspiracy beginning in the early 1990s and continuing until at least May 2006.

The indictment also charges that Holt obstructed justice by encouraging his co-conspirators to lie about the existence of the conspiracy if they were questioned about its existence by anyone, including law enforcement officials. Holt also directed one of his employees to destroy and withhold documents called for by a federal grand jury subpoena and to create false documents to be turned over to the grand jury.

“The Antitrust Division will vigorously prosecute individuals and companies that engage in bid-rigging and customer-allocation conspiracies that cheat customers who rely upon the competitive process to receive the best price for the goods and services they purchase,” said Thomas O. Barnett, Assistant Attorney General in charge of the Department’s Antitrust Division. “The Division also will not tolerate attempts to impede its grand jury investigations through lies and attempts to conceal evidence.”

According to the indictment, during the course of the conspiracy, Holt, Lopez and their co-conspirators participated in meetings and discussions concerning upcoming bids for certain contracts to supply and install doors and hardware for construction projects. They agreed during these meetings and discussions not to compete on bids for certain contracts. Holt, Lopez and

their co-conspirators agreed on which of their companies would win certain contracts. They also agreed to allocate particular customers to designated companies with the understanding that they would not compete to win business from a customer allocated to another company. As a part of the conspiracy, Holt, Lopez and their co-conspirators refrained from bidding or submitted intentionally high, complementary and non-competitive quotes or bids for certain contracts.

Bid rigging and customer allocation are Sherman Act violations and carry a maximum sentence of 10 years imprisonment and a maximum fine of \$1 million for individuals and \$100 million for corporations. The maximum fines may be increased to twice the gain derived from the crime or twice the loss suffered by the victims of the crime, if either of those amounts is greater than the statutory maximum fine. The maximum sentence for obstruction of justice is 10 years imprisonment and a fine of \$250,000.

The ongoing investigation is being conducted by the Antitrust Division's Dallas Field Office in conjunction with the El Paso office of the Federal Bureau of Investigation and the Texas State Attorney General's Office. Anyone with information concerning anticompetitive conduct, fraud or other allegations of illegal activity in the door and hardware industry is urged to call the Antitrust Division's Dallas Field Office at 214-661-8600.

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